

# **Lead Entity Advisory Group**

## **September 2, 2004**

### **SeaTac, WA**

### **Summary Notes**

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| <b>LEAG Attendance:</b>                       | Doug Osterman, King County WRIA 9, Chair<br>Paul Dorn, Kitsap County LE<br>Scott Jungblom, Pend Oreille CD LE<br>Amy Hatch-Winecka, Thurston, Mason LE<br>Steve Martin, Snake River Salmon Recovery Board, Vice Chair<br>Kim Bredensteiner, Island County LE<br>Jeff Breckel, Lower Columbia Fish Recovery Board<br>John Sims, Quinault Nation LE  |
| <b>Others Present:</b>                        | Stephanie Cotton, Snohomish/Stillaguamish LE<br>John Thompson, Whatcom County LE<br>Jeanette Dorner, Nisqually Tribe<br>Kirsten Workman, Nisqually Tribe<br>Terry Wright, RFEG Board<br>Paul Szewczykowski, RFEG Board<br><br>Jim Fox, IAC/SRFB<br>Rollie Geppert, IAC/SRFB<br>Kristi Lynett, WDFW<br>Brian Walsh, WDFW<br>Dianne Ludwig, WDFW<br>Bob Nichols, GSRO  |
| <b>LEAG Members Absent:</b>                   | Upper Columbia Representative  |
| <b>Introduction</b>                           | Introductions were made, including the newest LEAG member, Kim Bredensteiner, Island County LE Coordinator.  |
| <b>Election of Officers</b>                   | Verbal elections were conducted with unanimous affirmatives for Doug Osterman as Chair and Steve Martin as Vice-Chair.   |
| <b>Update on 5<sup>th</sup> Funding Round</b> | Rollie Geppert provided an update on the SRFB's 5 <sup>th</sup> Funding Round including the grant time line (including review panel and technical advisor meetings) leading up to SRFB meeting on December 2-3 to allocate the dollars. All seems to be moving along smoothly with the TA's and Review Panel busy at work reviewing LE projects and strategies. The fix-it-loops are in place to allow adequate comments on preliminary reviews, including addressing "red-flagged" projects. Rollie emphasized that Lead Entities should not panic if they have a project that is identified as a "project of concern." In most cases, the issue can be resolved by fine tuning the |

information about the project. This round saw a marked decline in project applications and funding requests. Usually 220 projects are submitted with a funding request of \$60 million. This year 186 applications were submitted with a total request of \$49.5 million.

Rollie reported that from the perspective of the inside world, the use of Prism worked great. He was quickly informed by many Lead Entities present that from their vantage point, Prism had some weaknesses and added to the amount of work to both Lead Entities and project sponsors. Rollie said that he needs to know feedback like this from all Lead Entities, and highly recommended that Lead Entities talk to him soon about any issues they have about Prism.

#### **LE Budget Survey & Next Biennium Results**

Kristi provided an overview of the results of the budget survey sent to LEs last month. 17 surveys were returned, but extrapolating data for all LEs indicate that for the core LE activities LEs use over \$200k in outside funding to supplement their LE grants, but have an unmet need of over \$700k per year. With over a billion-dollar deficit this coming biennium, the legislature will be looking to find efficiencies and cut programs. The information gathered in this survey could help justify the need for stable LE funding into the future.

WDFW staff will use the other part of the survey (WDFW Support) to help target assistance to specific lead entities. Overall, LEs felt the support provided by WDFW for strategies, habitat work schedules, project lists, and LEAG was very important.

Jeannette felt that some Lead Entities, including herself, may have thought that the survey was about the whole Department of Fish and Wildlife, therefore, to be cautious about interpretations of the results.

Jim Fox reported that his agency is asking for \$3.45 million in the 04/05 budget to support Lead Entities, which is only \$200,000 more than in past bienniums. The \$200,000 is really only covering lost funds that previously covered administration of the Lead Entity program. He feels that this is a plausible, defensible package. LEAG pointed out, however, that the budget request does not address the information just reported about the budget survey finding that there is at least a \$700,000 per year unmet need for Lead Entities.

#### **RFP for Assessments that span multiple LEs**

Of the \$162 million dollars the SRFB has approved for 486 projects and programs, one-third of that has been for other things than habitat projects. About 2% has been awarded to "random" programmatic requests, outside of LE project lists to address Legislative/Congressional recommendations and requests. The Board is looking to create a more orderly process for distributing programmatic funds and to do so at the same time that LE Project List dollars are committed. Accordingly at the last SRFB meeting, the Board decided to narrow the playing field of eligible

programmatic funding to; 1) statewide status and trend monitoring, 2) small grant program, and 3) assessments that span multi LE areas. In July the Board approved the concept of a 27<sup>th</sup> list dedicated to this third category and asked staff to develop an RFP soliciting these types of projects for consideration at their December meeting concurrent with the funding decisions for habitat projects. The action item on the LEAG agenda asked LEAG to "provide comments to IAC on the draft RFP... per August 20 email from IAC".

After a lengthy discussion, LEAG approved the following motion (5 yea, 3 no). "LEAG recommends to the SRFB that the RFP for assessments that span multi-LEs be deferred until the 6<sup>th</sup> Round".

The small majority of members felt that this category of funding left them in a disadvantage as their LE area already encompasses an entire ESU, and that they share no borders with another lead entity. Further, funding for these assessments will not be compared or ranked against 5<sup>th</sup> round projects but will be deducted from the overall amount of money for the 5<sup>th</sup> round. They felt this category is meant for Puget Sound nearshore and have significant concerns about equity and the need for a level playing field. Jim Fox said that there are about five multi-Lead Entity assessment proposals hovering out there, including the Puget Sound historical conditions work, the assessment of juvenile salmon use of the nearshore, and a joint effort of the Nisqually and Pierce Lead Entities to assess nearshore habitat. It was suggested that a LE could currently propose a multi-LE project, and each LE affected can submit a project for their section of the whole ecosystem, therefore a new process is not needed. The Puget Sound Lead Entities noted the important timing of these assessments to inform habitat plans and project development, and that all of the assessments listed by Jim are high priority data gaps that are consistent with the Lead Entity strategies.

Jim Fox noted that the motion to defer the issue to the sixth funding cycle is academic because the RFP is going out for solicitation of multi-Lead Entity assessments the day following the LEAG meeting.

It was mentioned that based on the concept of economy of scale, it would be more effective, less expensive, and better coordinated if one application (and subsequently one grant, one sponsor) were submitted per assessment. Some LEAG members and other Lead Entity representatives suggested a compromise of capping funding for these assessments (2-4%) for the 5<sup>th</sup> Round.

All LEAG members and LE Coordinators agreed that multi-LE assessments should be based in rigorous science and should be highly prioritized in each LE strategy.

**Board/LEAG  
Coordination**

talk about ways we can improve coordination and communication between the two programs. Paul explained that RFEG's can bring experience, expertise and resources to salmon recovery. He stated that there has been great cooperation among a number of LE's and RFEG's. However, his board sees the potential for more utilization of the RFEG program in salmon recovery. LEAG members shared their experiences and insights into the role of RFEG's in their areas. The discussion was very positive.

**Small Grant  
Program**

LE Coordinators who participated in the pilot small grant program over the past year were invited to share their perspectives. The comments were overwhelmingly positive as many coordinators described the benefits of the program. Many expressed praise for the quick efficient process, scientific rigor of the review, ability to bring in new sponsors, and control at the local level. Several of the Lead Entities, however, hired consultants to administer the program for them, noting that administrative work and costs do increase with this program. In some cases, it was felt that the grant amounts were too small to justify the increased administrative costs. Paul Dorn noted that he had problems making sure that the proposals were consistent with salmon priorities and the strategy.

Questions were raised whether the issue is a small grant program or a small project program. No clear answer was given, but it was suggested that there be a \$30,000 limit per grant, no matter how costly or big the project.

LEAG passed a motion to support a statewide small grant program that is available and administered statewide, and support a small project requirement as a local option.

**Watershed  
Enhancement**

Bob Nichols was invited to share information about the possible integration of watershed efforts (2514, 2496, mitigation) as a means to implement projects that are identified by these efforts. Bob noted that there is an expected \$1 billion deficit in the 05/06 budget. He said that there is discussion about a watershed enhancement approach, utilizing local Watershed Action Councils that would be required to demonstrate integration of water quantity, water quality, and salmon habitat at the local level. Bob stressed the need for this approach given the political uncertainty of funding for program administration, the perception of duplicative efforts, the push for permit streamlining, need for better utilization of mitigation funds, and the transition from watershed and salmon recovery planning to implementation. He also talked about the idea of creating a "Watershed Enhancement Board" to replace the current SRFB. The Watershed Enhancement Board would have a broader constitution, distributing funds for water quality, water quantity, and salmon habitat. There are many questions about the future role of various state agencies, such as the Governor's Salmon Recovery Office. There are many other details to be worked out, according to Nichols, including the future of Regional Boards. Bob acknowledged the need for a flexible

structure that is adaptable for each watershed. In response to a question about tribal involvement, he stated that he is beginning to make contact with tribes on this issue. Thus far, Bob has talked only with State agencies (IAC, SRFB, WDFW, DOE, GSRO, and DOT). WRIA 8 noted that King County is not conducting 2514 water supply planning due to concerns of the Muckleshoot Tribe regarding 2514, therefore, integrating 2496 and 2514 needs to be approached very carefully.

He invited LEs to submit comments on the broad ideas to WDFW, and agreed to work with LEAG as a vehicle for input on the issue. This proposal will be tied to the Governor's budget which is due mid-December, therefore, any thoughts of Lead Entities and others are best submitted by early October. By the end of September, he plans to make significant progress on the broad conceptual components of the plan, with details hammered out in the following six weeks. Bob stressed that with the change in administration, he has no idea what will happen to the plan this Legislative session, but that he is planning to hand off a package of recommendations to the new administration.

Doug Osterman established that a key item at the next LEAG meeting will be to discuss the proposals further and develop LEAG response to the ideas that Bob presented. Bob supported this approach.

Jane Lamensdorf-Bucher of WRIA 8 will be touching base with Bob regarding "Limit 8" opportunities that involve State approved Habitat Restoration Plans. Jane also urged the State to consider local taxing authority.

## **6<sup>th</sup> Funding Round**

Jim Fox gave a brief heads up about the sixth funding cycle in 2005. He believes it will be pretty close to the same timing and process as the fifth funding cycle. He does want to know from Lead Entities what worked well and what didn't in order to make any tweaks to the process for the sixth round. Staff welcomes input and help, especially since there are not many SRFB meeting between now and the start of the 6<sup>th</sup> round next spring. Suggestions for receiving comments include an all LE workshop in January, more LEAG meetings or a subset of LEAG working more intensely on this topic, or renewed use of ITF.

### **NEXT MEETING: October 8, 2004, SeaTac**

#### **Possible Agenda Items**

1. Future of the GSRO or replacement organization
2. 6<sup>th</sup> SRFB Round
3. Monitoring Strategy and approach